



Role of NABVENTURES in Empowering Women and SHGs – A Study with special reference to Srikakulam District

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Abstract: Empowerment of rural women and Self-Help Groups (SHGs) is critical to achieving inclusive and sustainable rural development in India. In recent years, venture capital has emerged as a powerful instrument to drive innovation and entrepreneurship in rural economies. NABVENTURES, a venture capital fund promoted by NABARD, plays a pivotal role in promoting agritech, rural fintech, and social enterprises that create opportunities for rural women and SHGs. This study explores the impact of NABVENTURES in facilitating women-led entrepreneurship and strengthening SHG-based enterprises, with special reference to the Srikakulam district of Andhra Pradesh.

The research highlights how NABVENTURES-backed startups enable capacity building, market access, and financial inclusion through technology-driven interventions. It also assesses how the fund contributes to scaling income-generating activities and improving the socio-economic status of rural women. Through analysis of case studies and field-level evidence, the study identifies gaps, challenges, and opportunities in leveraging venture capital for grassroots empowerment. The findings suggest that strategic investment in women-centric rural enterprises can significantly enhance the reach and impact of SHGs, thereby contributing to rural resilience and inclusive growth.

Key words: NABVENTURES, Women Empowerment, SHGs, Rural Development, Venture Capital, Agritech, Rural Fintech, Financial Inclusion, Social Entrepreneurship.

Introduction

Rural development in India has long been recognized as a critical element in achieving inclusive and sustainable economic growth. A significant portion of the Indian population resides in rural areas, where agriculture, allied sectors, and micro-enterprises form the backbone of the local economy. Despite considerable progress in urban development and industrialization, rural regions often continue to face challenges such as poverty, limited access to healthcare and education, inadequate infrastructure, and restricted employment opportunities. Therefore, comprehensive rural development strategies are necessary to ensure equitable distribution of resources and to bridge the urban-rural divide.

Women play a crucial role in the rural economy, particularly in agricultural production, livestock rearing, handicrafts, and household-level microenterprises. However, they have traditionally

faced marginalization due to socio-cultural norms, limited property rights, lower literacy levels, and restricted mobility. Empowering women in rural areas is not only essential for achieving gender equality but also for enhancing household income, improving child welfare, and contributing to overall community development.

The concept of women empowerment in rural development encompasses access to education, healthcare, financial resources, decision-making power, and participation in economic activities. Self-Help Groups (SHGs) have emerged as one of the most effective grassroots-level mechanisms for empowering rural women. These groups facilitate savings, microcredit, skill development, and entrepreneurship, thereby enabling women to become financially independent and socially confident.

In recent years, there has been a growing recognition of the need to integrate innovation and

entrepreneurship into rural development strategies. Institutions like NABARD have taken the lead in promoting rural livelihoods, and their venture capital arm, NABVENTURES, is contributing significantly by funding start-ups that address rural needs. By supporting agritech, rural fintech, food processing, and other enterprises, such initiatives are indirectly strengthening women-led SHGs and creating new avenues for female participation in the rural economy.

Self-Help Groups (SHGs) have emerged as a powerful instrument for promoting financial inclusion, poverty alleviation, and socio-economic empowerment in rural India. These small, voluntary associations of people, primarily women, come together to save, lend, and support one another in meeting common economic and social goals. The SHG movement has gained momentum over the years, especially after being actively supported by various government programs, NGOs, and financial institutions. It serves as a vital link between rural populations and formal financial systems, allowing marginalized communities to access credit and other financial services that would otherwise be beyond their reach.

The significance of SHGs in the rural economy lies in their ability to mobilize local savings and promote responsible financial behavior among members. This grassroots-level approach not only reduces dependency on informal moneylenders but also encourages entrepreneurship and small business development. Through microloans, training programs, and collective activities, SHGs enable members to start income-generating ventures such as dairy farming, poultry, handicrafts, tailoring, and petty trade. These activities enhance household incomes, improve standards of living, and contribute to the overall economic growth of rural areas.

The National Bank for Agriculture and Rural Development (NABARD) was established in 1982 as a premier development financial institution in India with the mandate to promote sustainable and equitable agriculture and rural development. It was created through the transfer of the agricultural credit functions of the Reserve Bank of India (RBI) and the refinance functions of the then Agricultural Refinance and Development Corporation (ARDC). NABARD plays a vital role in providing and

regulating credit and financial services for the development of agriculture, small-scale industries, cottage and village industries, handicrafts, and other rural crafts. It also supports rural infrastructure development and formulates strategies for inclusive rural growth by collaborating with state governments, NGOs, cooperatives, and other stakeholders.

Over the years, NABARD has diversified its approach from traditional refinancing and policy formulation to include innovative mechanisms for promoting rural entrepreneurship and start-up culture. In response to the growing need for technology-driven solutions and scalable enterprises in rural India, NABARD launched its own venture capital arm known as NABVENTURES. NABVENTURES Limited was set up in 2019 as a wholly owned subsidiary of NABARD, registered with the Securities and Exchange Board of India (SEBI) as a Category II Alternative Investment Fund (AIF). It was created to provide equity capital and strategic support to early and growth-stage enterprises that have the potential to transform the rural economy through innovation and sustainable practices.

Objectives of the Study

- To examine the nature and scope of support extended by NABVENTURES to women and SHGs.
- To assess the socio-economic impact of NABVENTURES-backed initiatives on women's livelihoods.
- To identify challenges faced by women and SHGs in accessing venture capital support.
- To suggest policy recommendations for enhancing the outreach of NABVENTURES in rural empowerment.

Research Methodology

Research design serves as the blueprint for conducting the study. It outlines the framework for data collection, analysis, and interpretation. This chapter details the methodology used in assessing how NABVENTURES has contributed to empowering women and Self-Help Groups (SHGs) in Srikakulam district

- **H₀ (Null Hypothesis):** NABVENTURES has no significant role in empowering women and SHGs in Srikakulam.
- **H₁ (Alternative Hypothesis):** NABVENTURES plays a significant role in empowering women and SHGs in Srikakulam.

A mixed-method approach is adopted—combining qualitative (interviews and case studies) and quantitative (survey) methods to achieve a comprehensive understanding.

Descriptive research is used to detail the status of SHGs and women-led enterprises, while analytical research evaluates the effectiveness of NABVENTURES' interventions. The study focuses on selected mandals where NABVENTURES-backed initiatives or NABARD-supported SHGs are active. Purposive sampling is used to select SHGs and beneficiaries who have received direct or indirect support through NABVENTURES initiatives.

Conceptual Framework

Self-Help Groups (SHGs) are small, voluntary associations of individuals—usually ranging from 10 to 20 members—who come together to address common issues related to savings, credit, livelihood, and social development. Most SHGs in India are formed by women from similar socio-economic backgrounds who pool their resources, regularly save small amounts of money, and use the collective fund to give loans to members for various income-generating or emergency purposes. Over time, these groups often link with banks or microfinance institutions to access larger amounts of credit and expand their economic activities.

Role of women in rural economic activities

Women play a central and multifaceted role in the rural economy of India. They contribute significantly to agriculture, animal husbandry, fisheries, forest-based activities, and rural non-farm sectors, often performing labour-intensive and time-consuming tasks. In agriculture, women are actively involved in sowing, transplanting, weeding, harvesting, and post-harvest operations. They also participate in kitchen gardening, seed preservation, and food processing at the household

level, contributing to both household food security and income.

Venture capital and rural entrepreneurship

Venture capital is a form of private equity financing provided to startups and small businesses that demonstrate high growth potential, innovation, and scalability. Traditionally associated with technology and urban-based enterprises, venture capital is increasingly being recognized as a powerful tool for fostering rural entrepreneurship. In the context of rural development, venture capital provides much-needed financial support, mentorship, and market access to innovative enterprises that aim to address the unique challenges faced by rural populations, such as low productivity, poor infrastructure, limited access to credit, and lack of employment opportunities.

Rural entrepreneurship involves the creation and management of enterprises in rural areas that leverage local resources, skills, and needs to generate income and employment. These businesses often focus on agriculture, food processing, handicrafts, animal husbandry, renewable energy, rural tourism, and services like education and healthcare. Entrepreneurs in rural areas, particularly women and members of Self-Help Groups (SHGs), often struggle to scale their businesses due to a lack of investment, technology, and professional networks. Venture capital bridges this gap by enabling them to adopt modern tools, improve efficiency, and reach broader markets.

NABVENTURES' mandate and investment themes

NABVENTURES, as the venture capital arm of NABARD, operates under a clear and purposeful mandate: to catalyze innovation, promote entrepreneurship, and drive sustainable economic growth in rural India. Its core objective is to provide equity capital to early- and growth-stage enterprises that address critical challenges in agriculture, allied sectors, and rural livelihoods. Unlike conventional financing mechanisms that depend on subsidies or microloans, NABVENTURES seeks to unlock the potential of market-driven solutions capable of scaling across regions, generating employment, and delivering social impact.

The investment themes of NABVENTURES are strategically aligned with the broader goals of rural transformation. Its portfolio emphasizes agritech innovations—such as precision farming tools, soil health diagnostics, and farm mechanization—that help increase productivity and resource efficiency. Rural fintech is another target area, with investments aimed at startups that bring digital banking, credit scoring, microinsurance, and payment platforms to underserved communities. Food processing and cold-chain logistics also form part of the agenda, enabling value addition, reducing post-harvest losses, and opening new market channels for small-scale producers.

NABVENTURES' objectives include:

Providing equity capital: Targeting early to growth stage startups focused on agriculture, allied sectors, rural services, fintech, food processing, and climate solutions. It typically invests between ₹5 crore and ₹25 crore per enterprise.

Fostering innovation and scalability: Supporting enterprises that introduce digital, technological, or operational innovations suited for rural contexts.

Encouraging sustainability and impact: Seeking ventures with measurable economic, social, and environmental outcomes that contribute to rural livelihoods.

Facilitating market linkages and capacity development: Assisting portfolio companies in accessing national markets, forming strategic partnerships, and scaling operations.

Mobilizing co-investment: Aiming to leverage additional capital from government-led blended funds (such as Agri-SURE), institutional investors, and corporate partners to maximize impact.

Key sectors funded (agritech, fintech, rural infra, etc.)

NABVENTURES strategically invests in sectors that directly impact rural livelihoods, agricultural productivity, and inclusive economic development. Its funding focus revolves around innovation-led enterprises that address structural gaps in the rural economy while ensuring financial returns and measurable social outcomes. The fund's sectoral

priorities are aligned with NABARD's broader mandate of rural transformation. The following are the key sectors funded by NABVENTURES:

Agritech:

Agritech is one of the core investment themes of NABVENTURES. The fund supports startups that provide technology-enabled solutions in areas such as precision farming, soil testing, farm automation, crop advisory, Agri-input supply chains, and farm management platforms. These technologies aim to increase productivity, reduce input costs, and make farming more efficient and climate-resilient. Agritech investments also help integrate small and marginal farmers into digital and data-driven agricultural systems.

Rural Fintech:

NABVENTURES funds fintech startups focused on improving financial inclusion in rural areas. These include companies offering digital banking, rural credit scoring models, microinsurance, digital lending, savings tools, and mobile-based payment platforms. These innovations bridge the credit and service gap faced by Self-Help Groups (SHGs), farmers, and rural entrepreneurs, enabling them to access timely financial resources and build credit histories.

Food Processing and Value Chains:

Recognizing the importance of value addition in agriculture, NABVENTURES invests in food processing startups and farm-to-fork supply chain models. This includes cold storage logistics, food grading and packaging, and ready-to-market Agri-products. By improving processing capabilities, these enterprises enhance marketability, reduce post-harvest losses, and generate better returns for farmers and SHGs.

Rural Infrastructure and Logistics:

NABVENTURES supports startups that improve rural infrastructure, particularly in logistics, warehousing, transport networks, and last-mile delivery services. These investments are crucial in connecting rural producers to markets efficiently and reducing overheads. They also facilitate

smoother supply chains for agribusinesses and agri-retailers operating in remote regions.

Climate and Sustainability Solutions:

Startups offering clean energy, water conservation, sustainable farming practices, and waste-to-wealth models also fall within NABVENTURES' funding scope. These enterprises contribute to climate-smart agriculture and environmentally sustainable rural development. They also align with national and global goals for reducing emissions, conserving resources, and enhancing rural resilience.

Notable startups backed by NABVENTURES

NABVENTURES has strategically invested in a variety of high-impact startups across sectors such as agritech, rural fintech, supply chain, and sustainability. These startups are chosen not only for their business potential but also for their ability to address key challenges faced by India's rural economy. Each investment reflects NABVENTURES' commitment to empowering rural communities, especially small and marginal farmers, women entrepreneurs, and Self-Help Groups (SHGs), through technology-driven and scalable solutions.

1.Jai Kisan

Jai Kisan is a rural fintech startup that enables farmers and rural businesses to access affordable and customized credit through its digital lending platform. The startup connects lenders directly with rural borrowers, facilitating easy financing for Agri-inputs, equipment, and post-harvest needs. By simplifying rural credit delivery, Jai Kisan plays a crucial role in enhancing financial inclusion.

2.Unnati

Unnati is an agritech platform that provides farm management solutions, input purchase services, and market linkage support. It empowers farmers with data-driven advisory and helps them improve yields and profitability. The platform also works with FPOs and SHGs to ensure wider adoption of smart farming techniques.

3.Krishi Tantra

Krishi Tantra offers rapid soil testing technology and solutions for real-time soil health assessment.

This allows farmers to make informed decisions on fertilizer use, improving productivity and promoting sustainable agriculture practices. The tool is especially useful in remote regions where access to laboratory-based testing is limited.

4. Satyukt Analytics

This startup provides satellite-based analytics for agriculture, offering precision insights on crop health, irrigation needs, and yield forecasting. These services are critical for farmers and agri-businesses looking to reduce risks and optimize resource use. The platform's data can also support climate-resilient agriculture planning.

5.Fraazo

Fraazo, although more urban-focused, had a strong backend rural supply chain of fresh vegetables sourced directly from farmers. NABVENTURES achieved a successful exit from Fraazo, marking a key milestone in delivering returns while supporting farmer-market connectivity.

6. Just Deliveries

Just Deliveries is a cold chain logistics startup that facilitates last-mile delivery for perishables and food products. This innovation helps in reducing post-harvest losses, especially in the dairy and fresh produce sectors, creating value for small producers and rural entrepreneurs.

7.Bharat Housing Network (BHN)

BHN focuses on creating a tech-led housing finance ecosystem for the underserved in rural and semi-urban areas. Its model supports affordable housing access, which is a critical part of rural infrastructure development.

8. Navadhan

One of the more recent investments, Navadhan is a rural fintech platform that offers credit services to MSMEs, SHGs, and small entrepreneurs. Its flagship platform, AceN, digitizes and automates rural credit processes, improving efficiency and access.

Role of NABVENTURES in Women Empowerment

Support to women-led startups

NABVENTURES recognizes that women are key drivers of economic and social change in rural India, yet they remain significantly underrepresented in entrepreneurship due to limited access to capital, markets, and mentorship. To address this imbalance, NABVENTURES places a strategic focus on supporting women-led startups or enterprises that positively impact women's livelihoods and Self-Help Groups (SHGs). Its investment model encourages gender-inclusive innovation by targeting sectors where women can play a central role—such as agritech, food processing, rural retail, and financial services.

Through equity investment and business development support, NABVENTURES enables women entrepreneurs to access early-stage capital, expand their operations, adopt technology, and build sustainable enterprises. This backing is critical in a landscape where female-led startups often face challenges in fundraising due to gender biases or lack of networks. NABVENTURES' support includes not just financial input, but also strategic mentoring, market access, and institutional linkages that enhance the viability and growth prospects of these ventures.

Additionally, NABVENTURES funds startups that work directly with women in rural areas—such as those involving SHGs in product sourcing, distribution, or service delivery. These startups create employment, improve incomes, and offer leadership opportunities for women at the grassroots level. By integrating rural women into modern value chains, these enterprises elevate them from informal workers to formal participants in the economy.

The long-term vision of NABVENTURES includes building a pipeline of scalable, women-centric rural businesses that contribute to inclusive development. This focus on empowering women through entrepreneurship aligns with national goals such as “Women-led Development” and the Sustainable Development Goals (SDGs), particularly those related to gender equality, decent work, and economic growth.

Capacity building through technology and market access

Capacity building is a critical component of empowering rural women and Self-Help Groups (SHGs), and NABVENTURES contributes to this goal by enabling access to technology-driven solutions and broader markets. Many startups funded by NABVENTURES focus not only on product or service delivery but also on strengthening the capabilities of rural communities to adopt and benefit from these innovations. For women and SHGs, this includes training, digital literacy, exposure to new tools, and the ability to participate meaningfully in rural value chains.

Technology acts as a major enabler in this process. NABVENTURES supports startups that introduce mobile applications, digital platforms, IoT devices, and AI-based advisory systems tailored to the needs of rural users. These tools help women learn about market prices, weather patterns, crop care, livestock health, and financial services, often in local languages. For example, agritech startups may provide step-by-step guidance on farming techniques, while rural fintech platforms offer easy-to-use interfaces for savings, loans, and insurance—thereby improving digital and financial literacy.

Case study of women benefiting through NABVENTURES-backed startups

1. Beyond Snack

Kerala's *Beyond Snack*—co-founded by **Jyoti Rajguru**—makes plant-based banana chips. In July 2023, the company raised **\$3.5 million** from NABVENTURES to enhance its distribution network and supply chain. Beyond Snack employs numerous rural women in sourcing and processing, providing them with stable income and entrepreneurial opportunity.

2. Unnati (Agritech)

Unnati received a **\$1.7 million** investment from NABVENTURES in October 2020 to scale its farm management platform. The startup emphasizes empowering women farmers—especially via its network of rural ‘uStore’ hubs, many of which are run by female entrepreneurs. These hubs train women in digital farming techniques and crop management.

3. Just Deliveries

Founded by **Mansi Mahan Saria**, *Just Deliveries* secured a **\$1 million** pre-Series A round led by NABVENTURES in March 2024. By building logistics infrastructure for perishable produce, the venture not only supports women-led F&B brands but also employs rural women in supply-chain roles, enhancing their skill sets and income.

These cases highlight how NABVENTURES is driving **gender-inclusive growth** by:

Providing capital to women-led businesses (Beyond Snack, JustDeliveries).

Enabling rural women through tools, training, and local hubs (Unnati's uStores).

Creating employment opportunities across the rural value chain—from sourcing to delivery.

SHGs and Their Empowerment through NABVENTURES

Indirect benefits to SHGs via startups in dairy, Agri-processing, and handicrafts

Digital and financial inclusion through fintech investments

Collaboration with NGOs and FPOs in SHG-linked activities

Case Study: Srikakulam District

Srikakulam, a predominantly agrarian district in the northeastern part of Andhra Pradesh, presents a unique socio-economic landscape marked by high rural population density, low per capita income, and significant gender disparity in employment and entrepreneurship. Despite these challenges, women-led Self-Help Groups (SHGs) have become a strong force in fostering rural resilience and livelihood generation.

Socio-Economic Profile of Women and SHGs in the District

Women in Srikakulam play an essential role in agriculture and allied activities, yet they often lack access to credit, training, and market opportunities. Over **42,000 SHGs** are active in the district under the support of **SERP (Society for Elimination of**

Rural Poverty) and **DRDA (District Rural Development Agency)**. These SHGs are primarily engaged in dairy farming, small-scale retail, tailoring, food processing, and handicrafts. While many SHGs function effectively at the grassroots level, most face barriers in scaling up due to lack of exposure to modern technology, market access, and financial investments.

NABARD has implemented several rural development programs in Srikakulam, such as:

- Micro-Enterprise Development Programs (MEDPs)
- Livelihood and Enterprise Development Programs (LEDPs)
- Watershed and Tribal Development Programs
- Promotion of Farmer Producer Organizations (FPOs)

NABVENTURES, while still in its early phase in this region, has started exploring agritech startups that provide services like precision farming, soil testing, and Agri-extension through mobile platforms. These startups have the potential to benefit SHGs by improving productivity and linking them to better markets.

Ground-Level Observations and Pilot Examples

Some notable developments observed during field visits and stakeholder interactions include:

SHGs in **Palasa and Mandasa mandals** have collaborated with agritech service providers for seed distribution and organic farming guidance.

A pilot project involving **women SHGs in Narasannapeta** engaged them in **value-added processing of millet-based snacks**, with technical training supported by NABARD.

Use of **mobile-based farm advisory services** by women farmers is increasing, especially in coastal and tribal belts.

Suggestions and Policy Recommendations

To maximize the impact of NABVENTURES in empowering women and SHGs in rural areas like

Srikakulam, the following suggestions and policy interventions are recommended:

1. Strengthening linkages between SHG and Startups

There is a need to foster strong partnerships between SHGs and rural startups supported by NABVENTURES. Startups can act as enablers by providing market access, technical know-how, and innovation to SHGs. Structured collaborations can help SHGs scale their operations and move up the value chain.

2. Training programs for women in Entrepreneurship

Skill development and entrepreneurship training tailored for rural women are essential. NABARD, in collaboration with NABVENTURES and NGOs, should initiate capacity-building programs focused on financial literacy, digital tools, business management, and value addition to local products

Conclusion

NABVENTURES has emerged as a pioneering venture capital initiative in India, focusing on promoting Agritech, fintech, and rural innovations with an inclusive and impact-driven approach. By extending strategic financial and technical support to startups that target grassroots development, NABVENTURES plays a pivotal role in transforming the rural economy, particularly by uplifting self-help groups (SHGs) and encouraging entrepreneurial ventures led by women.

The empowerment of rural women through such innovative funding mechanisms is crucial for achieving sustainable development. Women-led startups, when nurtured through access to

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capital, mentorship, and markets, have the potential to bring about transformative socio-economic change in underdeveloped regions. NABVENTURES' support to such ventures demonstrates its commitment to inclusive growth and gender equity.

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